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AUG 27 2007

DIV. OIL GAS & MINING

Form MR-SMO  
(Revised March 26, 2007)

This Section for DOGM Use:

Assigned DOGM File No.: S \_\_\_\_\_

DOGM Lead: \_\_\_\_\_

Permit Fee \$ \_\_\_\_\_ Ck # \_\_\_\_\_

REV A

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291 Fax: (801) 359-3940

**NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS**

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

\*\*\*\*\*

**I. GENERAL INFORMATION (Rule R647-3-104)**

1. Name of Mine: HOT SPRINGS 2
2. Legal name of entity (or individual) for whom the permit is being requested: \_\_\_\_\_  
STAKER PARSON COMPANIES DBA JACK B. PARSON COMPANIES  
Mailing Address: P.O. Box 3429  
City, State, Zip: OGDEN, UTAH 84409  
Phone: 801-409-2415 Fax: 801-731-8800  
E-mail Address: PCLARK@STAKERPARSON.COM

Type of Business: Corporation ☒ LLC ( ) Sole Proprietorship (dba) ( )

Partnership ( ) General \_\_\_\_\_ or \_\_\_\_\_ limited

Or:

Individual ( )

**Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) [www.commerce.utah.gov](http://www.commerce.utah.gov).**

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No

Entity # 4926066-0151

If no, contact [www.commerce.utah.gov](http://www.commerce.utah.gov) to renew or apply.

Local Business License # 8 (if required)

Issued by: County \_\_\_\_\_ or City WILLARD CITY

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3. **Contact Person(s)**

Name: PATRICK CLARK Title: ENVIRONMENTAL ADVISOR **DIV. OIL GAS & MINING**  
Address: P.O. Box 3429  
City, State, Zip: OGDEN, UTAH 84409  
Phone: 801 409-2415 Fax: 801-731-8800  
Emergency, Weekend, or Holiday Phone: 801 430-3116  
E-mail Address: PCLARK@STAKERPARSON.COM

**Contact person to be notified for: permitting (X) surety (X) Notices (X) (please check all that apply)**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Emergency, Weekend, or Holiday Phone: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**Contact person to be notified for: permitting ( ) surety ( ) Notices ( ) (please check all that apply)**

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: J. ROCKY WOODRUFF  
Address: 2350 S. 1900 W.  
City, State, Zip: OGDEN, UTAH 84401  
Phone: 801-866-1806 Fax: 801-393-4487  
E-mail Address: RWOODRUFF@STAKERPARSON.COM

4. **If Business is a Sole Proprietor:**

**Sole Proprietor:**

Name of Owner: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**If Business is a Corporation:**

<b>Name of Officers:</b> <u>JOHN PARSON</u>	Title: <u>PRESIDENT</u>
<u>J. WOODRUFF</u>	Title: <u>CFO</u>
<u>D. PETERSON</u>	Title: <u>CFO</u>
_____	Title: _____

Headquarters Address: 2350 S 1900 W  
City, State, Zip: OGDEN, UTAH 84401  
Headquarters Phone: 801-731-1111 Fax: 801-731-8800  
E-mail Address: \_\_\_\_\_

**If Business is a Limited Liability Company:** Member Managed ☐ Manager Managed ☐

**Name of 1<sup>st</sup> Member/Manager:** \_\_\_\_\_ **Title:** \_\_\_\_\_  
**Business Address:** \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_



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Name of 2<sup>nd</sup> Member/Manager: \_\_\_\_\_

Business Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**If Business is a Partnership:**

Name of Partner: \_\_\_\_\_

Business Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**5. Ownership of Land Surface:**Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name JACK B. PARSON Address P.O. Box 3429 OGDEN, UTAH 84409

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

**6. Ownership of Minerals:**Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name JACK B. PARSON Address P.O. Box 3429 OGDEN, UTAH 84409

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): \_\_\_\_\_

\_\_\_\_\_

BLM Claim Numbers \_\_\_\_\_

\_\_\_\_\_

Utah State Lease Number(s): \_\_\_\_\_

\_\_\_\_\_

Name of Lessee(s) \_\_\_\_\_

\_\_\_\_\_

**7. Have the above surface and mineral owners been notified in writing?**Yes X No \_\_\_\_\_

If no, why not? \_\_\_\_\_

\_\_\_\_\_



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Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes X No \_\_\_\_\_

## II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. Project Location (legal description):

County(ies): BOX ELDER

\_\_\_\_ 1/4, of SW 1/4, of NE 1/4: Section: 14 Township: 7 N Range: 2 W  
 \_\_\_\_ 1/4, of NW 1/4, of SE 1/4: Section: 14 Township: 7 N Range: 2 W  
 \_\_\_\_ 1/4, of \_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4: Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_

UTM East 413234 (if known) UTM North 4577339 (if known)

Name of Quad Map for Location: PLAIN CITY, UTAH 1997

2. Location and Operations maps must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, a scale, appropriate labels, title box including the mine name, township, range and section.
- Map 1:** The general location map must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.
  - Map 2:** The operations map (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:
    - The area to be disturbed;
    - The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
    - Any adjacent previous disturbance for which the operator is not responsible.
 (Contact the Division for a list of consultants and land surveyors for mapping assistance.)
3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced (<50 feet) so that the next marker in either direction is clearly visible with the naked eye.

## III. OPERATION PLAN (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐
2. **Mineral(s) to be mined:** SAND + GRAVEL, LANDSCAPE ROCK
3. **Amount of material to be extracted, moved or proposed to be moved:** \_\_\_\_\_  
75,000 TON/ YEAR



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4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?  
Yes ☐ No ☒ If yes, please describe (add extra pages if needed) \_\_\_\_\_

5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). FRACTURE OF CONSOLIDATED BEDROCK WITH EXPLOSIVES, REMOVAL AND TRANSPORTATION OF MATERIAL WITH EXCAVATORS AND FRONT LOADERS, PROCESSING WITH CRUSHERS AND SCREENS

6. ☐ New Road(s): Length \_\_\_\_\_ (ft) Width \_\_\_\_\_ (ft)

7. ☐ Improved Road(s): Provide a description of the improvements that need to be made to existing roads to access the site, including the Length \_\_\_\_\_ (ft) and Width \_\_\_\_\_ (ft) of improvements.

8. Total project surface acreage to be disturbed: 5 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).

9. Proposed startup date of project (month, year) 06 / 2007

10. Proposed completion date of project, if known (month, year) UNKNOWN

#### IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at [www.ogm.utah.gov](http://www.ogm.utah.gov).

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.



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10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

**V. VARIANCE REQUEST (Rule R647-3-110)****Any variance request must be approved in writing by the Division**Yes ☐ No ☐

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see **IV. Operation and Reclamation Practices** Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

**1<sup>st</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches &amp; pits reclaimed)

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**2<sup>nd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**3<sup>rd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**Attach additional page if more variances are requested.****VI. SURETY (Act 40-8-7(1)[c])**

**A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.**

The Utah Mined Land Reclamation Act (40-8-7 (1)[c] and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed.



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The surety amount is based on the nature, extent and duration of operations. *The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.*

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I will provide surety in the form of a: Certificate of Deposit, Letter of Credit, Surety Bond, Cash (certified funds), or Division Approved form.

## VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

***Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.***

## VIII. SIGNATURE REQUIREMENT

(Please check the box if applicable and place your initials on the line provided)

PC ☒ PC ☒

I have enclosed the required permit fee.

I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

## CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.**

Signature: 

Date: 6/26/07

Name (typed or printed): J. ROCKY WOODRUFF

Title/Position (if applicable): CFO

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General Notes

Site Location:

SW1/4 NE1/4 T7N R2W S14  
NW1/4 SE1/4 T7N R2W S14  
Salt Lake Base & Meridian  
UTM Zone 12  
E413234 N4577339

N41.3434 W 112.0291  
33.92 Acres

Notes:

The 5 acre disturbed area includes the land shown in red on the picture. This mine is adjacent to another small mine permit number S/003/073, and has been allowed as an exception for expedience per Mary Ann Wright on 6/20/07 via email.

The haul road is pre-existing, and was constructed as part of non-regulated sand & gravel mining occuring on the property.

Recoverable topsoil will be stockpiled near the west property boundary as a berm

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No.	Road / Stockpile	Revision/Issue	Date
A			6/26

STAKER | PARSON  
COMPANIES

Project Name and Address  
Hot Springs 2 Gravel Pit  
9000 S US Hwy 89  
Willard, UT 84340  
Box Elder County

Project	Sheet
Date 6/20/06	
Scale 1" = 125'	